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October 31, 2002

**By Messenger**

Mary L. Cottrell, Secretary  
Department of Telecommunications and Energy  
One South Station, 2nd Floor  
Boston, MA 02110

**Re: Docket D.T.E. 97-116**

Dear Ms. Cottrell:

For the reasons discussed below, AT&T and its subsidiaries or affiliates including Teleport Communications Boston, Teleport Communications Group, and ACC National Telecom Corp. hereby withdraw from further participation in this docket.

AT&T has participated in prior phases of this proceeding because the Department was using the WorldCom complaint as a forum for considering general policy questions regarding reciprocal compensation for ISP-bound traffic. See, e.g., the Department's Objection to the Magistrate-Judge's recommended decision in the pending federal action, at 16-17 (dated July 18, 2002). However, the several disputes between Verizon and AT&T's affiliates concerning Verizon's refusal to comply with its contractual obligations to pay intercarrier compensation for all local traffic originated by Verizon and terminated by Teleport or ACC, including but not limited to ISP-bound traffic, have never been brought before the Department. To the contrary, the only issue concerning interpretation of an interconnection agreement that was ever before the Department in this docket was whether the interconnection agreement between Verizon and WorldCom (or, more precisely, their corporate predecessors in interest) requires the payment of reciprocal compensation for calls completed to ISPs. See *DTE 97-116* at 5 (Oct. 21, 1998); *DTE 97-116-C* at 25-27, 29 (May 19, 1999). Global NAPs filed a similar complaint that was docketed as D.T.E. 99-39.

AT&T has consistently stated that no contractual claim involving AT&T or its affiliates has ever been brought to the Department, and that indeed Verizon has never satisfied the contractual conditions precedent for doing so. The Department would violate the terms of the Interconnection Agreements themselves and due process were it to attempt to decide contract claims not placed before it, or attempt to resolve any contract claim without giving the affected parties the opportunity to present evidence and to test any factual claims made by Verizon through discovery, cross-examination, and rebuttal. In reliance upon the undisputed fact that the meaning of the interconnection agreements of its affiliates are not at issue in this docket, AT&T has never attempted

to put on a full case regarding the intent of the contracting parties and the meaning of their specific contracts.

Verizon has properly recognized that the only reciprocal compensation contract claims before the Department are those filed by WorldCom and GNAPs. *See, e.g.,* Verizon Massachusetts Motion to Re-Open Dockets, dated July 24, 2002.

After Verizon urged the Department to accept the Magistrate-Judge's recommended decision and re-open this proceeding without further action by the federal court, AT&T respectfully urged the Department to express its willingness to accept evidence needed to investigate the meaning of the several interconnection agreement provisions regarding reciprocal compensation. However, the Department's recent procedural order makes clear that the Department does not intend to step into the role of a common law court and adjudicate a series of individual and term-specific contract disputes after giving each of the parties to the varied and differentiated interconnection agreements a full opportunity to present evidence.

Teleport Communications Boston ("Teleport") has therefore exercised its contractual right to seek resolution of its contract dispute with Verizon in Massachusetts Superior Court. Teleport's Interconnection Agreement specifically gives Teleport the right, at its election, to pursue its contract claim in that forum.

We are mindful of the Department's understandable preference that Verizon and individual CLECs reach a negotiated resolution of any dispute regarding the payment of reciprocal compensation for ISP-bound traffic. We share that preference. For that reason, we have repeatedly attempted to enter into such negotiations with Verizon, but Verizon has categorically rebuffed every effort to do so. Accordingly, we are compelled to pursue our contract claims and seek our remedies at law, in Massachusetts Superior Court.

Finally, we respectfully request that the Department and parties leave me and Patricia Jacobs on their service lists so that we may receive courtesy copies of any filings or orders. Thank you.

Very truly yours,

Kenneth W. Salinger

pc: Service List for Docket No. 97-116